



Exempt Action Final Regulation Agency Background Document

Agency name	Virginia Department of Health
Virginia Administrative Code (VAC) citation	12 VAC 5-220-10,110 and200
Regulation title	Medical Care Facilities Certificate of Public Need Rules and Regulations
Action title	To amend specific sections pursuant to HB2546 (2007)
Final agency action date	October 19, 2007
Document preparation date	

When a regulatory action is exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Virginia Administrative Process Act (APA), the agency is encouraged to provide information to the public on the Regulatory Town Hall using this form.

Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of the Virginia Register Act, the *Virginia Register Form, Style, and Procedure Manual*, and Executive Orders 36 (06) and 58 (99).

Summary

Please provide a brief summary of all regulatory changes, including the rationale behind such changes. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

HB2546 of the 2007 General Assembly session amends §32.1-102.1 of the Code of Virginia related to the Certificate of Public Need program by increasing the threshold for capital expenditure projects from \$5 million to \$15 million and adjusting such projects needing only registration from \$1 million/\$5 million to \$5million/\$15 million. HB2546 (2007) also provides an exception for the State Health Commissioner to approve cost overruns greater than 20% when an applicant can demonstrate that the increases are reasonable and do not result from any material expansion of the project. Therefore, 12 VAC 5-220 must subsequently be amended to conform to the law.

In addition, this action technically amends the definitions of 'clinical health services,' 'health planning region,' 'medical care facility,' 'project,' regional health planning agency,' and 'state medical facilities plan' to assure conformity with § 32.1-101.1 of the Code of Virginia in preparation for a comprehensive revision to 12 VAC 5-220.

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.

The Board of Health adopted these amendments to 12VAC5-220 at its October 19, 2007 meeting.

Family impact

Assess the impact of this regulatory action on the institution of the family and family stability.

There is no direct impact on the family.